GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:136
ANSWERED ON:25.07.2005
DECLINE IN PERCENTAGE OF GROWTH BY FPI
Agarwal Shri Dhirendra;Chavda Shri Harisinh Pratapsinh

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) the percentage of growth registered by Food Processing Industries (FPI) in the Ninth Five Year Plan;

(b) the percentage of growth recorded by it during the Tenth Five Year Plan so far;

(c) the reasons for the decline in percentage of growth by FPI; and

(d) the reaction of the Government in this regard

Answer

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAI)

(a) to (d): According to an estimate, growth of Food Processing Industries was 7.1% in the last few years of 9th Plan. Growth rate during the 10th Plan is estimated to be 73% for a GDP growth of 6%. In order to promote Food Processing Industries, plan schemes have been implemented to provide financial assistance for establishment and modernization of food processing unit, creation of infrastructure, support for R&D, Human Resource Development besides other promotional measures to encourage development of food processing industries. For giving boost to growth of food processing industries, the Government has allowed under Income Tax Act, a deduction of 100% of profit for five years and 25% of profits for the next five years in case of new agro processing industries set up to process, preserve and package fruits and vegetables. Recently, on 28th February 2005, in Parliament, Government has announced launching of a National Horticulture Mission w.e.f. 1st April 2005 with an objective to ensure an end-to-end approach for the horticulture sector.